

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into by and between the United States of America, acting through the United States Department of Justice and its Drug Enforcement Administration (“DEA”) for the New England Field Division, Boston Office of Diversion (collectively, the “United States”), and CVS Pharmacy, Inc. (“CVS”) (hereafter collectively referred to as “the Parties”).

### **Recitals**

- A. CVS is a Rhode Island corporation with its corporate headquarters in Woonsocket, Rhode Island. CVS operates retail pharmacies in the Commonwealth of Massachusetts that dispense prescription drugs, including controlled substances, to retail consumers (hereinafter referred to as “CVS/pharmacy retail stores”).
- B. Each CVS/pharmacy retail store in Massachusetts is separately registered with the DEA and is assigned a unique DEA registration number. Each DEA registrant is required to dispense controlled substances in accordance with the Controlled Substances Act, 21 U.S.C. §§ 801, *et seq.* (the “Act”), and its implementing regulations.
- C. The DEA is the Department of Justice component agency primarily responsible for enforcing the Act and is vested with the responsibility of investigating violations of the Act.
- D. The United States Attorney General, through the United States Attorney’s Office, has primary authority to bring civil actions to enforce the Act. *See* 21 U.S.C. § 871 and 28 C.F.R. § 0.55(c).
- E. The United States contends that it has certain civil claims against CVS arising from CVS having filled the 523 forged opioid prescriptions listed in Attachment A hereto. The filling of these 523 forged prescriptions is referred to below as the “Covered Conduct.”

PLAINTIFFS TRIAL  
EXHIBIT

**P-10213\_Redact**

In consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

**Terms of Agreement**

1. [REDACTED]

[REDACTED]

2. At the same time the Parties enter into and sign this Agreement, CVS and DEA will enter into the Compliance Agreement that is Attachment B hereto.

3. In consideration of the obligations of CVS in this Agreement, [REDACTED] and [REDACTED] subject to the conditions in Paragraph 4, the United States releases CVS, its assigns, successors, and subsidiaries from any civil or administrative claims the United States has, could have, or may assert in the future related to the Covered Conduct under the Act.

4. This Agreement in no way alters or restricts the United States' right to enforce the Act and regulations promulgated thereunder by commencing a civil or administrative action against CVS for any violations of the Act which are not based on the Covered Conduct; nor does it restrict the United States or any other sovereign or governmental entity from bringing any criminal charge against CVS. Also, this Agreement does not prevent any sovereign other than the United States from pursuing civil, criminal, and/or administrative claims against CVS for the Covered Conduct and/or any other conduct. However, this Agreement in no way waives CVS's right to raise any defenses in any such actions.

5. CVS releases the United States and its agencies, officers, agents, employees, and servants from any claims (including for attorney's fees, costs, and expenses of every kind and however denominated) that CVS has asserted, could have asserted, or may assert in the future against the United States or its agencies, officers, agents, employees, or servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

6. The obligations imposed upon CVS pursuant to this Agreement and the Compliance Agreement are in addition to, and not in derogation of, all requirements imposed upon CVS pursuant to all applicable federal, state, and local laws and regulations, including but not limited to the requirements set forth in Title 21 of the United States Code and the regulations promulgated thereunder.

7. Each Party and signatory to this Agreement represents that it, he, or she freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

8. This Agreement is intended to be for the benefit of the Parties only; it does not create any rights or benefits as to third parties. The Parties do not release any claims against any other person or entity.

9. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of Massachusetts. This Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

10. This Agreement and the Compliance Agreement constitute the complete agreement between the Parties. This Agreement and the Compliance Agreement may be amended only by a writing signed by all Parties.

11. The undersigned counsel represents and warrant that they are fully authorized to execute this Agreement on behalf of the Parties.

12. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same agreement.

13. This Agreement inures to the benefit of and is binding on each Party and its respective successors, transferees, heirs, and assigns.

■ [REDACTED]

[REDACTED]

[REDACTED]

15. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.


16. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

17. The Parties may execute this Agreement via facsimile and/or by portable document format (.pdf), both of which shall be deemed the equivalent of an original signature.

18. This Agreement is effective on the date of signature of the last signatory to the Agreement.

**THE UNITED STATES OF AMERICA**

DATED: 6/30/16

BY:   
GISELLE J. JOFFRE  
DEANA K. EL-MALLAWANY  
Assistant U.S. Attorneys  
United States Attorney's Office  
District of Massachusetts

**U.S. DRUG ENFORCEMENT ADMINISTRATION**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
MICHAEL J. FERGUSON  
Special Agent In Charge  
U.S. Drug Enforcement Administration  
New England Field Division

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CLAIRE BRENNAN  
Diversion Program Manager  
U.S. Drug Enforcement Administration  
New England Field Division

**CVS PHARMACY, INC.**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
JOHN A. GILBERT, JR.  
Hyman, Phelps & McNamara, PC  
Counsel for CVS Pharmacy, Inc.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
ELIZABETH FERGUSON  
Senior Vice President & Assistant General  
Counsel  
CVS Pharmacy, Inc.

18. This Agreement is effective on the date of signature of the last signatory to the Agreement.

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GISELLE J. JOFFRE  
DEANA K. EL-MALLAWANY  
Assistant U.S. Attorneys  
United States Attorney's Office  
District of Massachusetts

**U.S. DRUG ENFORCEMENT ADMINISTRATION**

DATED: 06/30/16

BY: 

MICHAEL J. FERGUSON  
Special Agent In Charge  
U.S. Drug Enforcement Administration  
New England Field Division

DATED: 6.30.16

BY: 

CLAIRE BRENNAN  
Diversion Program Manager  
U.S. Drug Enforcement Administration  
New England Field Division

**CVS PHARMACY, INC.**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
JOHN A. GILBERT, JR.  
Hyman, Phelps & McNamara, PC  
Counsel for CVS Pharmacy, Inc.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
ELIZABETH FERGUSON  
Senior Vice President & Assistant General  
Counsel  
CVS Pharmacy, Inc.

18. This Agreement is effective on the date of signature of the last signatory to the Agreement.

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
GISELLE J. JOFFRE  
DEANA K. EL-MALLAWANY  
Assistant U.S. Attorneys  
United States Attorney's Office  
District of Massachusetts

**U.S. DRUG ENFORCEMENT ADMINISTRATION**

DATED: \_\_\_\_\_

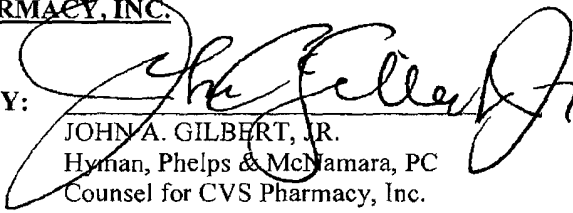
BY: \_\_\_\_\_  
MICHAEL J. FERGUSON  
Special Agent In Charge  
U.S. Drug Enforcement Administration  
New England Field Division

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CLAIRE BRENNAN  
Diversion Program Manager  
U.S. Drug Enforcement Administration  
New England Field Division

**CVS PHARMACY, INC.**

DATED: 6/27/16

BY:   
JOHN A. GILBERT, JR.  
Hyman, Phelps & McNamara, PC  
Counsel for CVS Pharmacy, Inc.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
ELIZABETH FERGUSON  
Senior Vice President & Assistant General  
Counsel  
CVS Pharmacy, Inc.

18. This Agreement is effective on the date of signature of the last signatory to the Agreement.

**THE UNITED STATES OF AMERICA**

**DATED:** \_\_\_\_\_

**BY:** \_\_\_\_\_  
GISELLE J. JOFFRE  
DEANA K. EL-MALLAWANY  
Assistant U.S. Attorneys  
United States Attorney's Office  
District of Massachusetts

**U.S. DRUG ENFORCEMENT ADMINISTRATION**

**DATED:** \_\_\_\_\_

**BY:** \_\_\_\_\_  
MICHAEL J. FERGUSON  
Special Agent In Charge  
U.S. Drug Enforcement Administration  
New England Field Division

**DATED:** \_\_\_\_\_


**BY:** \_\_\_\_\_  
CLAIRE BRENNAN  
Diversion Program Manager  
U.S. Drug Enforcement Administration  
New England Field Division

**CVS PHARMACY, INC.**

**DATED:** \_\_\_\_\_

**BY:** \_\_\_\_\_  
JOHN A. GILBERT, JR.  
Hyman, Phelps & McNamara, PC  
Counsel for CVS Pharmacy, Inc.

**DATED:** 27 June 2016

**BY:**  \_\_\_\_\_  
ELIZABETH FERGUSON  
Senior Vice President & Assistant General  
Counsel  
CVS Pharmacy, Inc.